

MONTANA LEGISLATIVE HISTORY

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Chapter 89 19 85

Bill H _____ S 139 Original bill & history C

H. Committee on Business & Labor

S. Committee on Business & Industry

Hearing Date(s) Mar 02 C

Hearing Date(s) Jan 25 C

_____ C

Jan 29 C

_____ C

_____ C

_____ C

_____ C

Date Out Mar 02 C

Jan 29 C

Did this bill originate in an interim committee? Yes No

Committee _____

Report _____

SENATE FINAL STATUS

3/20 SIGNED BY SPEAKER

3/21 TRANSMITTED TO GOVERNOR

3/22 SIGNED BY GOVERNOR

CHAPTER NUMBER 147 EFFECTIVE DATE: 3/22/85

139 INTRODUCED BY THAYER, CHRISTIAENS

OPTIONAL USE OF STATE OR FEDERAL DISCLOSURE LANGUAGE

1/18 INTRODUCED

1/18 REFERRED TO BUSINESS & INDUSTRY

1/25 HEARING

1/29 COMMITTEE REPORT-BILL DO PASS

1/31 2ND READING PASS

35 7

2/02 3RD READING PASS

42 1

TRANSMITTED TO HOUSE

2/27 REFERRED TO BUSINESS & LABOR

3/07 HEARING

3/08 COMMITTEE REPORT-BILL CONCURRED

3/09 2ND READING CONCURRED

93 0

3/12 3RD READING CONCURRED

98 1

RETURNED TO SENATE

3/15 SIGNED BY PRESIDENT

3/15 SIGNED BY SPEAKER

3/15 TRANSMITTED TO GOVERNOR

3/18 SIGNED BY GOVERNOR

CHAPTER NUMBER 89 EFFECTIVE DATE: 10/01/85

140 INTRODUCED BY CHRISTIAENS, ECK, ET AL.

INCREASING COUNTY DEBT WITHOUT A VOTE TO \$500,000

1/18 INTRODUCED

1/18 REFERRED TO LOCAL GOVERNMENT

1/29 HEARING

2/06 COMMITTEE REPORT-BILL PASS AS AMENDED

2/09 2ND READING PASS

50 0

2/12 3RD READING PASS

45 5

TRANSMITTED TO HOUSE

2/27 REFERRED TO LOCAL GOVERNMENT

3/12 HEARING

3/13 COMM REPORT-BILL CONCURRED AS AMENDED

3/16 2ND READING CONCURRED

78 19

3/18 3RD READING CONCURRED

70 28

RETURNED TO SENATE WITH AMENDMENTS

3/21 2ND READING AMENDMENTS CONCURRED

21 12

3/22 ON MOTION HOUSE AMEND. RETURNED TO 2ND

3/25 2ND READING AMENDMENTS NOT CONCURRED

36 10

3/26 FREE CONFERENCE COMMITTEE APPOINTED

4/12 FREE CONFERENCE COMMITTEE REPORT

SENATE

4/13 2ND READING FREE CONFERENCE COMMITTEE

REPORT ADOPTED 50 0

4/15 3RD READING FREE CONFERENCE COMMITTEE

REPORT ADOPTED 47 2

MINUTES OF THE MEETING
BUSINESS & INDUSTRY COMMITTEE
MONTANA STATE SENATE

January 25, 1985

The ninth meeting of the Business & Industry Committee met in Room 410 of the Capitol Building. The meeting was called to order by Vice-Chairman Christiaens at 10:06 a.m.

ROLL CALL: All members were present.

CONSIDERATION OF SENATE BILL 141: Senator Thomas Keating, Senate District 44, Billings, is the sponsor of this bill. He explained a delivery business was developed several years ago and then encountered problems with regulations as administered by the public service commission on the hauling of mail or parcels to and from airports. These problems were then dealt with and now they have encountered another technicality whereby under the rules that a business must have a public hearing with the public service commission and pay \$102 for a certificate. He explained most people do not realize they need to do this and have been out of compliance for years. This bill would enable those who have an agreement with the U.S. Government to haul commodity items to be exempt from this certificate for public convenience and need. He explained it would be just for convenience really and there was not enough money involved to require these people to go through this process.

PROPOSERS: There were no proposers to this bill.

OPPOSERS: There were no opposers to this bill.

Questions from the committee were called for. Senator Kolstad wanted to know how many people this might apply to and Senator Keating felt it might possibly be 20 or 30. It is just for those who have federal contracts. Mr. Wayne Butz, from the Public Service Commission, Administrator of the Transportation Division, stated that mail hauled by a private contractor can not be regulated by them, it would just mean they would not have to have this \$102 certificate as they are supposed to presently. Anyone who now hauls federal contracts has a certificate from the federal government already. He also explained that a commodity is anything that can be moved or hauled but people. Senator Keating closed by stating it was simply a housecleaning type of bill and would let people go about their business a little bit easier.

The hearing was closed on Senate Bill 141.

CONSIDERATION OF SENATE BILL 139: Senator Gene Thayer, Senate District 19, Great Falls, explained this bill would help make retail contracts simpler and easier to understand. It would also eliminate some of the duplication currently required. (EXHIBIT 1) He also brought along a copy of a contract and highlighted the areas that would be eliminated if this bill

were to pass. (EXHIBIT 2)

PROPOSERS: Diane Spranget, a loan compliance officer for First Bank in Bozeman, explained how she is involved with clients in drawing up contracts and the procedure that is involved in making sure all the disclosure requirements are correct and how confusing it is to the individuals and to the sellers. She feels that there is some duplication in some areas with some inconsistencies in the actual wording and that the disclosure requirements required under Federal Regulation Z is sufficient. She urges favorable consideration of this bill. (EXHIBIT 3) Les Alke, representing the Montana Bankers Association, stated they fully support this bill. (EXHIBIT 4) Tom Harrison, Montana Auto Dealers Association, expressed their support for this measure also.

OPPOSERS: There were no opponents to Senate Bill 139.

Questions from the committee were then called for. Senator Christiaens wondered just where the disclosure information would be on the contract and was informed by Diane Spranget it would be in the itemization. Les Alke explained that the retail installment act came about in 1959 and regulation Z, which covers much more under federal requirements, came about in the 60's. Senator Christiaens wondered if the form had not been changed in the past couple of years. He wondered if this bill were passed if there would be standard forms and was told they would not. He thinks this might be part of the confusion because there are so many different forms. Senator Halligan could not see why there is confusion but Diane Spranget explained there is a problem and that she deals with this confusion daily. In closing Senator Thayer stated he felt this would streamline the process of filling out a contract and felt that it was a good bill.

The hearing was closed on Senate Bill 139.

DISPOSITION OF SENATE BILL 143: Senator Goodover made a motion that Senate Bill 143 DO PASS. Motion carried unanimously.

DISPOSITION OF SENATE BILL 145: Chairman Halligan explained the amendment that had been proposed making it a requirement that a bank have at least quarterly meetings. (EXHIBIT 5) Senator Neuman then moved to ADOPT THE AMENDMENT to this bill as proposed. The motion passed with Senator Gage voting no. Senator Thayer then moved TO PASS Senate Bill 145 AS AMENDED. The motion carried.

DISPOSITION OF SENATE BILL 146: Senator Christiaens moved that

Mr. Chairman and committee members, I am Senator Gene Thayer of District 19, Great Falls. I am the sponsor of Senate Bill 139.

The trend over the past few years in contracts has been to make them simpler, easier to understand and shorter. Senate Bill 139 falls in line with that trend.

Montana retail installment contracts are lengthy documents. Their length makes them appear intimidating. My bill proposes to shorten retail installment contracts by eliminating the duplication currently required. The federal Truth in Lending Law and section 31-1-231, MCA, request much of the same information. Therefore, I propose with Senate Bill 139 that if a retail installment contract is subject to and complies with the federal Truth in Lending Act it need not also contain Montana retail installment contract disclosures.

By modifying retail installment contracts in this manner, they will be shorter and less intimidating and the duplication of information will be eliminated.

Thank you for your time and consideration on Senate Bill 139. I hope you will support it with a "do pass" recommendation.

ROLL CALL

BUSINESS & INDUSTRY

COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 1/25/85

SENATE
SEAT
#

NAME	PRESENT	ABSENT	EXCUSED
Chairman Halligan	X		
V-chrm. Christiaens	X		
Boylan	X		
Fuller	X		
Gage	X		
Goodover	X		
Kolstad	X		
Neuman	X		
Thayer	X		
Williams	X		

Each day attach to minutes.

DATE JANUARY 25, 1985

COMMITTEE ON BUSINESS & INDUSTRY

VISITORS' REGISTER

[illegible]



RETAIL INSTALLMENT CONTRACT (MONTANA)

EXHIBIT 2
BUSINESS & INDUSTRY
January 25, 1985

Buyer's Name, Address, and City, State & Zip Code	Seller's Name, Address, and City, State & Zip Code
---	--

THIS AGREEMENT covers my installment purchase from you of the property described below. In this agreement, the words "I," "ME," and "MY" refer to the buyer. The words "YOU" and "YOUR" refer to the Seller, Assignee and any other person to whom this agreement may be assigned.

Promise to Pay: I promise to pay you, the Seller, a Total Sale Price of \$_____ I have made a downpayment of \$_____ I will repay the balance in _____ monthly installments of \$_____ beginning on _____ 19____ plus any irregular payments (if any) as follows: _____

The payment schedule is based on an Annual Percentage Rate of _____, which includes the cost of any insurance and other charges on which you and I have agreed. Finance Charge begins to accrue _____ 19____.

I understand that you intend to assign the contract to _____ and that I will make my payments directly to the bank which will have the same rights you have under this agreement. I understand that anyone else who signs this agreement (except someone offering only a security interest in the property) will be individually and jointly responsible, to the same extent as I am.

The Property: The property I am buying is described as follows:								
N. of U.	Year and Make	Body Type & Model	Description (including capacity if truck)	Property Used For	Number	Color	Year	Cash Sale Price

Accessories & Miles: A. Tires () P. Steering () FM Radio () A. Cond () Other _____ Miles _____

FEDERAL TRUTH-IN-LENDING ACT DISCLOSURES

ANNUAL PERCENTAGE RATE The cost of my credit at a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost me.	Amount Financed The amount of credit provided to me or on my behalf.	Total of Payments The amount I will have paid after I have made all payments as scheduled.	Total Sale Price The total cost of my purchase on credit, including my downpayment of \$_____.
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

Payment Schedule: No _____ Amt. \$ _____ Due: ☐ Monthly ☐ Other _____

Beginning _____ 19____ Irregular payments (if any) as follows: _____

Filing Fees: \$ _____ Non-Filing Insurance \$ _____

Security: I am giving you a security interest in: ☐ the property being purchased ☐ Other (describe) _____

Collateral securing any other debts I owe you may also be security for this loan.

Late Charge: If a payment is late by more than 10 days I will be charged 3% or 5% of the unpaid installment whichever is less.

Prepayment: I will not have to pay a penalty if I pay off early. If I do I may be entitled to a refund of part of the finance charge.

Assumption Policy (Applicable only to Mobile Home Transactions when used as Principal Residence): Someone buying my mobile home ☐ may, subject to conditions, be allowed to ☐ cannot assume the remainder of my obligation on the original terms.

See the contract provisions for any additional information about nonpayment, default, any required repayment in full before the scheduled date, any prepayment penalties and refunds.

e means an estimate

Reimbursement of the Amount Financed of \$ _____	Amount paid to others on my behalf:
\$ _____	to _____ \$ _____ to _____ \$ _____
\$ _____	Amount given to me directly \$ _____ to _____ \$ _____
\$ _____	Amount paid on my account \$ _____ to _____ \$ _____

MONTANA RETAIL INSTALLMENT SALES ACT DISCLOSURES

I UNDERSTAND THAT THIS IS AN APPLICATION FOR ☐ INSURANCE COVERAGE AND NOT A COMMITMENT ☐ TO PROVIDE IT.

1. My Cash Sale Price \$ _____

2. My Cash Downpayment \$ _____

3. Trade-In (Year) - Description: _____

4. Make _____ Model _____ Year _____

you, if offered, I may get the following coverage from you at a cost of \$ _____ for a _____ (year/month) term.

() Comprehensive Deductible \$ _____	() Collision Deductible \$ _____	() Fire, Theft & Combined Additional Coverage	() Other _____
() My Unpaid Balance (1-2) \$ _____	() Other Charges I Am Financing:		
	A. Taxes (not included in #1) \$ _____		
	B. Official Fees \$ _____		
	C. Total of Charges for Insurance and Other Benefits \$ _____		
	D. Other (Specify) \$ _____		
	Total (A+B+C+D) \$ _____		
	Less Cash Paid, if Any \$ _____		
	Total Other Charges I Am Financing \$ _____		
	My Principal Balance (3+4) \$ _____		
	Finance Charge \$ _____		
	Total Amount of Time Balance (5+6) \$ _____		
	With Monthly Premium Insurance:		
	A. Total of Payments \$ _____		
	B. Deferred Payment Price \$ _____		
	C. Total Monthly Payment \$ _____		

I ALSO UNDERSTAND THAT YOU DO NOT PROVIDE LIABILITY INSURANCE COVERAGE FOR BODILY INJURY OR PROPERTY DAMAGE TO OTHERS UNLESS INDICATED ABOVE.

Agent _____

Credit life and credit disability insurance are not required to obtain credit, and will not be provided unless I sign and agree to pay the additional cost. I am under 65 years of age and may apply for this insurance at the premium shown below. However, if a loan is either secured by real estate or for a term in excess of 120 months the insurance may be Monthly Premium Insurance and the premium is not included in the amount disclosed as being financed. I want:

☐ Single Credit Life \$ _____ Date _____ Signature _____

☐ Joint Credit Life \$ _____ Date _____ Signature _____

☐ Credit Disability \$ _____ Date _____ Signature _____

ACCEPTANCE OF ASSIGNMENT

By signing below, both Seller & Bank, consent to this transfer according to the terms on the reverse side.

Seller consents to this transfer. _____

The Bank consents to this transfer. _____

By _____ Date _____ By _____ Date _____

NOTICE TO BUYER:

1. Do not sign this contract before you read it or if it contains any blank spaces.

2. You are entitled to an exact copy of the contract you sign.

3. Under the law, you have the right to pay off in advance the full amount due and obtain a partial refund of the finance charge.

No Personal Liability. The person whose signature appears below has signed the contract only for the purpose of granting the Secured Party a security interest in the Property and has no personal liability for payment of the debt.

Signature _____

I HAVE READ THIS AGREEMENT, UNDERSTAND IT, AND AGREE TO ALL OF ITS TERMS. I ALSO ACKNOWLEDGE RECEIPT OF A COMPLETELY FILLED-IN AND EXECUTED COPY OF THIS CONTRACT THIS _____ DAY OF _____ 19____.

First Buyer's Signature	Address
Seller's Signature	Address

NAME Liane C Sprangit Bill No. 139
ADDRESS 408 Standaker, Boyman, MT DATE 1-25-85
WHOM DO YOU REPRESENT First Bank, Boyman
Detail Committee of Montana Bankers
SUPPORT ☒ OPPOSE ☐ AMEND ☐

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

NAME Les Allen Bill No. 139
ADDRESS #1 East chance gulch DATE 1/25/85
WHOM DO YOU REPRESENT Montana Bankers Assoc
SUPPORT ☒ OPPOSE ☐ AMEND ☐

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

can be made for reports more often and was told you may but that usually quarterly is often enough. The motion CARRIED.

DISPOSITION OF SENATE BILL 141: Senator Thayer moved that Senate Bill 141 DO PASS. The motion carried.

DISPOSITION OF SENATE BILL 120: The minutes of the construction advisory council were passed to the committee concerning this proposed legislation. (EXHIBIT 2) Senator Goodover then moved that Senate Bill 120 DO PASS. Senator Thayer concurred and noted that in discussion with others they feel the real problem lies in the method that the state uses for bidding by using the multi-let contracts. He felt this problem might be addressed at some future date. Senator Boylan noted that the entire advisory council voted in favor of this legislation. The motion CARRIED.

DISPOSITION OF SENATE BILL 139: Senator Christiaens made a motion that Senate Bill 139 DO PASS. Chairman Halligan noted he could not see why some of the areas of the contract were confusing and felt it was a protection to the consumer. Senator Thayer stated that those who deal often with "Regulation Z" feel this is an all-encompassing act and is really all this is required to protect the consumer. He felt if there were any problems with it that the bill should be killed. Senator Christiaens felt it would just make it less confusing for the consumer. The motion CARRIED with Chairman Halligan voting no.

CONSIDERATION OF A POSSIBLE COMMITTEE BILL: Senator Williams explained some difficulties various implement dealers across the state are currently having with buyers coming in and people are losing franchises and dealerships after having been established for many years. He would like to have a bill drafted relating to good faith with dealerships. Senator Kolstad explained they do have such a law currently in North Dakota. Senator Halligan noted he felt they should focus on franchises and dealerships not just implement dealers, on good faith requirements for terminations. Senator Kolstad then made a MOTION that a bill be drafted and brought before the committee for consideration. The motion CARRIED.

The meeting was adjourned at 10:36 a.m.


Chairman

ROLL CALLBUSINESS & INDUSTRY

COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 1/29/85SENATE
SEAT
#

NAME	PRESENT	ABSENT	EXCUSED
Chairman Halligan	X		
V-chrm. Christiaens	X		
Senator Boylan	X		
Senator Fuller	X		
Senator Gage	X		
Senator Goodover	X		
Senator Kolstad	X		
Senator Neuman	X		
Senator Thayer	X		
Senator Williams	X		

Each day attach to minutes.

STANDING COMMITTEE REPORT

JANUARY 29

85

19.....

MR. PRESIDENT

BUSINESS & INDUSTRY

We, your committee on.....

SENATE BILL

No. 139

having had under consideration.....

first

white

reading copy ()

color

OPTIONAL USE OF STATE OR FEDERAL DISCLOSURE LANGUAGE

SENATE BILL

No. 139

Respectfully report as follows: That.....

~~DO PASS~~

~~DO NOT PASS~~

Mike Halligan

Chairman.

SENATE BILL 17: Hearing commenced on Senate Bill 17. Senator Pat Goodover, District #20 by request of the code commissioner is a housekeeping measure, stated Senator Goodover.

Proponent Greg Petesch of legislative council, explained that the word department is substituted for the word commissioner. This section relating to unfair trade practices is administered by the Department of Commerce. The remainder of the bill are housekeeping items, added Mr. Petesch.

There being no further discussion by proponents and no opponents to the bill, both were excused and the hearing on Senate Bill 17 was closed.

SENATE BILL 139: Hearing commenced on Senate Bill 139. Senator Gene Thayer, District #19, sponsor of the bill, explained that this allows the seller in a transaction covered by the federal Truth-in-Lending Act the option of using the disclosure language in the Montana Retail Installment Sales Act. All consumer transactions that are paid off monthly over a period of years are covered. Senate Bill 139 will eliminate the duplication of language required by both federal and state laws. The current Regulation Z is an intimidating, lengthy form, that is impossible to copy, added Senator Thayer.

Proponent Tom Carruthers, past chair, Montana Retail Bankers Association, distributed to committee members Exhibit 1 which is attached hereto. Mr. Carruthers explained that these forms are lengthy and confusing to the average consumer. Contracts are originated at the point of sale and generally are then sold to a different financial institution to service. If an error is made it is difficult to explain and correct. Senate Bill 139 is trying to simplify dealings for the consumer, stated Mr. Carruthers.

Proponent Les Alke, representing the Montana Bankers Association, explained this measure will reduce paperwork and simplify the process. All dealers will benefit from the passage of Senate Bill 139.

Representative Hansen asked Tom Carruthers if there are any areas that the state covers that the federal does not. Mr. Carruthers explained that the Montana disclosure provides clearer and less confusing information for the consumer.

In closing, Senator Thayer stated that the same question raised by Representative Hansen entered his mind prior to his agreeing to carry the bill. The regulation Z is more comprehensive, added Senator Thayer.

There bein no further discussion by proponents and no opponents to the bill, all were excused by the chairman and the hearing on Senate Bill 139 was closed.

HOUSE JOINT RESOLUTION 31: Hearing commenced on House Joint Resolution 31. Representative Jan Brown, District #46, sponsor of the resolution, at the request of the National Federation of Independent Business would request an interim study to look at competition by state and local government with private enterprise, particularly in printing, manufacture of products or rendering of services by state institutions, procurement policies or practices that deny private enterprise the opportunity to bid on government purchases, and purchasing by the state outside the framework of the Montana Procurement Act. Most goods can be produced for less by private enterprise. The resolution would create a public forum where business' can bring concerns to the attention of legislatures and assemble information and made a recommendation to the 50th legislature, added Rep. Brown.

Proponent Riley Johnson, representing the National Federation of Independent Business and State Director, Government Relations/ Montana, supplied written testimony which is attached hereto as Exhibit 2.

Proponent Ben Cohen, Representative District #3 and Vice-President of the Montana Solid Waste Contractors Association, offered his support of the bill as amended. Representative Cohen distributed to committee members Exhibits 3 which is attached hereto.

Proponent George Allen, representing the Montana Retail Association, stated that currently the state must purchase from a central store regardless of the price. A business in the eastern part of the state must purchase from a store in Helena and pay freight charges, etc. A study of the state involvement in private enterprise is needed, stressed Mr. Allen.

Proponent Sue Weingartner, Executive Director, Montana Solid Waste Contractors, supplied written testimony which is attached hereto as Exhibit 4.

Proponent H.S. Hanson, representing the design professions,

committee will report back to. Mr. Johnson explained that the legislatures are the voice of the consumer and the go-between. Our legislatures have the knowledge, and expertise and can allow for measurer to be enacted.

Representative Ellerd stated this resolution is very broad and the time necessary to study each aspect will be phenomenal.

Representative Schultz asked Sue Winegartner is she was familiar with a situation in Lewistown when a private company purchased the solid waste system and an increase between 100 and 200% was apparent. She was familiar with the problem. Representative Schultz added that a private hauler is not always your cheapest resource.

There being no further discussion by proponents and opponents, all were excused by the chairman and the hearing on House Joint Resolution 31 was closed.

ACTION ON SENATE BILL 17: Representative Nisbet moved DO PASS on Senate Bill 17. Second was received, Senate Bill 17 will BE CONCURRED IN by unanimous vote.

ACTION ON SENATE BILL 139: Representative Thomas moved DO PASS on Senate Bill 139. Second was received, Senate Bill 139 will BE CONCURRED IN with all but Representatives Driscoll and Hansen voting yes.

ACTION ON HOUSE JOINT RESOLUTION 31: Representative Brown moved DO PASS. Representative Ellerd expressed his concern with the time element and added that this is very broad for one committee to study such a complex issue. Representative Bachini stated the amendment has already been addressed in a previous bill. Representative Hansen added that the solid waste situation is different than what the bill proposes, they are utilities, not private industries. Representative Kitselman explained that an interim committee is mandated to file a report and a copy may be requested from legislative council. The results of such a committee are seen in the form of bills, added Representative Kitselman. Representative Simon stated the stream access bill is a result of an interim study and stressed the importance of Representative Cohens amendment and moved the same. Representative Schultz added that if all small areas are incorporated into the bill the purpose may be defeated. Question being called, the amendment does fail with all but Representative Simon voting no. House Joint Resolution will BE ADOPTED with Representative Driscoll voting no.

DAILY ROLL CALL
BUSINESS AND LABOR COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date March 7, 1985

NAME	PRESENT	ABSENT	EXCUSED
Bob Pavlovich	✓		
Les Kitselman	✓		
Bob Bachini	✓		
Ray Brandewie	✓		
Jan Brown	✓		
Jerry Driscoll	✓		
Robert Ellerd	✓		
William Glaser	✓		
Stella Jean Hansen	✓		
Marjorie Hart	✓		
Ramona Howe	✓		
Tom Jones	✓		
Mike Kadas	✓		
Vernon Keller	✓		
Lloyd McCormich	✓		
Jerry Nisbet	✓		
James Schultz	✓		
Bruce Simon	✓		
Fred Thomas	✓		
Norm Wallin	✓		

STANDING COMMITTEE REPORT

March 7

85

19

SPEAKER

MR.

BUSINESS AND LABOR

We, your committee on

Senate

having had under consideration Bill No.

139

third

reading copy (blue)
color

OPTIONAL USE OF STATE OR FEDERAL DISCLOSURE LANGUAGE

Senate

Respectfully report as follows: That Bill No.

139

DO PASS

MONTANA RETAIL INSTALLMENT SALES ACT DISCLOSURES

I UNDERSTAND THAT THIS IS AN APPLICATION FOR INSURANCE COVERAGE AND NOT A COMMITMENT TO PROVIDE IT.

I may obtain property insurance from anyone I want that is acceptable to you. If offered, I may get the following coverage from you at a cost of \$_____ for a _____ (year) (month) term.

- () Comprehensive Deductible \$_____
- () Collision Deductible \$_____
- () Fire, Theft & Combined Additional Coverage
- () Other _____

I ALSO UNDERSTAND THAT YOU DO NOT PROVIDE LIABILITY INSURANCE COVERAGE FOR BODILY INJURY OR PROPERTY DAMAGE TO OTHERS UNLESS INDICATED ABOVE.

Agent _____ Phone _____

1. My Cash Sale Price \$_____ (1)
2. My Cash Downpayment \$_____
 - Trade-In (Net) - Description: \$_____
 - Make _____ Model _____ Yr. _____
 - My Total Downpayment \$_____ (2)
3. My Unpaid Balance (1-2) \$_____ (3)
4. Other Charges I Am Financing:
 - A. Taxes (not included in #1) \$_____
 - B. Official Fees \$_____
 - C. Total of Charges for Insurance and Other Benefits \$_____
 - D. Other (Specify) _____ \$_____
 - Total (A + B + C + D) \$_____
 - Less Cash Paid, If Any \$_____
 - Total Other Charges I Am Financing \$_____ (4)
5. My Principal Balance (3+4) \$_____ (5)
6. Finance Charge \$_____ (6)
7. Total Amount of Time Balance (5+6) \$_____ (7)
8. With Monthly Premium Insurance:
 - A. Total of Payments \$_____
 - B. Deferred Payment Price \$_____
 - C. Total Monthly Payment \$_____

Credit life and credit disability insurance are not required to obtain credit, and will not be provided unless I sign and agree to pay the additional cost. I am under 66 years of age and may apply for this insurance at the premium shown below. However, if a loan is either secured by real estate or for a term in excess of 120 months the insurance may be Monthly Premium Insurance and the premium is not included in the amount disclosed as being financed. I want:

- ☐ Single Credit Life \$_____ Date _____ Signature _____ Birthdate _____
- ☐ Joint Credit Life \$_____ Date _____ Signature _____ Birthdate _____
- ☐ Credit Disability \$_____ Date _____ First Signer Only _____ Birthdate _____

ACCEPTANCE OF ASSIGNMENT

By signing below, both Seller & Bank, consent to this transfer according to the terms on the reverse side:

Seller consents to this transfer.

The Bank consents to this transfer.

By _____
Date Name Title

By _____
Date Name Title

NOTICE TO BUYER:

1. Do not sign this contract before you read it or if it contains any blank spaces.
2. You are entitled to an exact copy of the contract you sign.
3. Under the law, you have the right to pay off in advance the full amount due and obtain a partial refund of the finance charge.

No Personal Liability. The person whose signature appears below has signed this contract only for the purpose of granting the Secured Party a security interest in the Property, and has no personal liability for payment of this debt.

Signature _____ Date _____

I HAVE READ THIS AGREEMENT, UNDERSTAND IT, AND AGREE TO ALL OF ITS TERMS. I ALSO ACKNOWLEDGE RECEIPT OF A COMPLETELY FILLED-IN AND EXECUTED COPY OF THIS CONTRACT THIS _____ DAY OF _____, 19_____.

First Signer's Signature _____

Address _____

Second Signer's Signature _____

Address _____

Seller's Signature _____

Title _____ Date _____

Exhibit 1

3/7/85

RETAIL INSTALLMENT CONTRACT (MONTANA) SB139



Submitted by: Tom Carruthers

Buyer(s) Name, Address (include County & Zip Code)

Seller-Creditor Name, Address

THIS AGREEMENT covers my installment purchase from you of the property described below. In this agreement, the words "I", "ME", and "MY" refer to the buyer. The words "YOU" and "YOUR" refer to the Seller, Assignee and any other person to whom this agreement may be assigned.

Promise to Pay. I promise to pay you, the Seller, a Total Sale Price of \$_____. I have made a downpayment of \$_____. I will repay the balance in _____ monthly installments of \$_____ beginning on _____, 19____ plus any irregular payments (if any) as follows: _____

I understand that you intend to assign this contract to

First Bank _____

Address _____

and that I will make my payments directly to the bank which will have the same rights you have under this agreement. I understand that anyone else who signs this agreement (except someone offering only a security interest in the property) will be individually and jointly responsible, to the same extent as I am.

This payment schedule is based on an Annual Percentage Rate of _____% which includes the cost of any insurance and other charges on which you and I have agreed. Finance Charge begins to accrue _____, 19____.

The Property. The property I am buying is described as follows:

N or U	Year and Make	Body Type & Model	Description (including capacity if truck)	Property Used For	Number		Cash Sale Price
					Serial	Key	

Accessories & Miles: A. Trans. () P. Steering () F.M. Radio () A. Cond. () Other _____ Miles _____

FEDERAL TRUTH-IN-LENDING ACT DISCLOSURES

ANNUAL PERCENTAGE RATE

The cost of my credit at a yearly rate.

% \$

FINANCE CHARGE

The dollar amount the credit will cost me.

\$

Amount Financed

The amount of credit provided to me or on my behalf.

\$

Total of Payments

The amount I will have paid after I have made all payments as scheduled.

\$

Total Sale Price

The total cost of my purchase on credit, including my downpayment of

\$

Payment Schedule: No. _____ Amt. \$_____ Due: ☐ Monthly ☐ (Other) _____ Beginning _____, 19____. Irregular payments (if any) as follows: _____

Filing Fees: \$_____ Non-Filing Insurance \$_____

Security: I am giving you a security interest in: ☐ the property being purchased. ☐ Other (describe) _____

Collateral securing any other debts I owe you may also be security for this sale.

Late Charge: If a payment is late by more than 10 days I will be charged \$5 or 5% of the unpaid installment, whichever is less.

Prepayment: I will not have to pay a penalty if I pay off early. If I do I may be entitled to a refund of part of the finance charge.

Assumption Policy (Applicable only to Mobile Home Transactions when used as Principal Residence): Someone buying my mobile home ☐ may, subject to conditions, be allowed to ☐ cannot assume the remainder of my obligation on the original terms.

See the contract provisions for any additional information about nonpayment, default, any required repayment in full before the scheduled date, any prepayment penalties and refunds.

e means an estimate

Itemization of the Amount Financed of

\$_____ to public officials/agencies \$_____ to credit reporting agency

Amount paid to others on my behalf:

\$_____ to appraiser \$_____ to insurance company